



Tax\$ave Flexible Spending Account

What is a Flexible Spending Account (FSA)?

An FSA is an account you set up to pre-fund your anticipated, eligible medical services and supplies and dependent care expenses that are normally not covered by your insurance. You can choose from Unreimbursed Medical Expense FSA, Dependent Care FSA, or have one of each.

With either FSA, you benefit from having less **taxable** income in each of your paychecks, which means more **spendable** income to use toward your eligible medical and dependent care expenses.

What is a Unreimbursed Medical FSA?

A Unreimbursed Medical FSA is used to pay for eligible medical expenses which aren't covered by your insurance or other plan. These expenses can be incurred by yourself, your spouse, a qualifying child or relative. Your full annual contribution amount is available at the beginning of the plan year, so you don't have to wait for the money to accumulate.

What is a Dependent Care FSA?

The Dependent Care FSA is a great way to pay for eligible dependent care expenses such as after school care, baby-sitting fees, day care services, nursery and preschool. Eligible dependents include your qualifying child, spouse and/or relative.

Using your FSA is easy.

When you elect a Unreimbursed Medical FSA, your account is funded with the full amount you've chosen at the beginning of the year. As soon as that happens, it's ready to use for eligible expenses. Throughout the year, you "pay your account back" with pre-tax contributions from your paycheck. Use these convenient payment options:

- ▶ **WageWorks® Health Care Card.** Use it instead of cash at health care providers and wherever accepted for health-related services and health expenses.
- ▶ **Pay My Provider.** Send payment directly to your health care provider.
- ▶ **Pay Me Back.** File a claim online, by fax or mail for reimbursement.
- ▶ **Mobile.** Use our mobile application to file a claim from your smartphone.

You can also choose a WageWorks Dependent Care FSA to help with the cost of care for eligible children or aging parents while you are at work. A dependent care FSA works a lot like a Unreimbursed Medical FSA, but your account is funded several times a year, so funds are available as contributions are taken from your paycheck.

Use the WageWorks® Health Care Card.

Use your WageWorks® Health Care Card (Card) instead of cash or credit at health care providers and pharmacies for eligible services, goods and prescriptions. You will only be able to use your Card for Over-the-Counter (OTC) drugs at the pharmacy counter, provided a valid prescription is presented at the time of purchase. You still will be able to use your Card for non-drug OTC items and devices, such as bandages and contact lens solution, as long as you shop at merchants that have an industry standard (IIAS) inventory system that can verify the eligibility of items at checkout. An updated list of IIAS merchants is maintained at www.sigis.com.

Always remember to save receipts when using the Card. The IRS requires you keep them for your tax records, and you will also need them if we request documentation for verification.

Register for an online account now!

Visit www.wageworks.com and click "Register with WageWorks now." You'll need to verify your employee status, confirm your contact information and create a username and password. You will have to register for Plan Year 2013 during Open Enrollment October 1 - November 9, 2012.

Saving up to 40%
on health expenses.

Awesome.

That's exactly what I need.



Sign up during open enrollment. October 1, 2012 – November 9, 2012

Estimate your savings.

How much you save depends on how much you spend on health and dependent care, and on your tax situation. For every \$100 of eligible expenses, most people will save from \$30 to \$40 in taxes. To estimate your expenses and see for yourself how your savings can add up, use the savings calculator at:

FSAWorks4Me.com

Unreimbursed Medical FSA Worksheet

ESTIMATED ELIGIBLE EXPENSES	EXAMPLE	YOUR ESTIMATE
Prescription drugs	\$225	
Doctor visits	\$80	
Annual dental plan deductible	\$50	
Dental fillings and crowns	\$185	
Orthodontia (braces)	\$1,800	
Prescription glasses	\$100	
Prescribed over-the-counter products ¹	\$60	
Suggested plan year election	= \$2,500	=
Taxes (40% ²)	x 0.40	x 0.40
Estimated savings²	= \$1,000	=

Dependent Care FSA Worksheet

ESTIMATED ELIGIBLE EXPENSES	EXAMPLE	YOUR ESTIMATE
Day care / nursery school	\$3,600	
Summer day care	\$1,400	
Suggested plan year election	= \$5,000	=
Taxes (40% ²)	x 0.40	x 0.40
Estimated savings²	= \$2,000	=

Annual Contribution Limits

For Medical Expense FSA:

Minimum Annual Deposit³: \$100

Maximum Annual Deposit³: \$2,500

For Dependent Care FSA:

Minimum Annual Deposit³: \$250

The maximum contribution depends on your tax filing status.

- ▶ If you are married and filing separately, your maximum annual deposit is \$2,500.
- ▶ If you are single and head of household or married and filing jointly, your maximum annual deposit is \$5,000.
- ▶ If either you or your spouse earn less than \$5,000 a year, your maximum annual deposit is equal to the lower of the two incomes.
- ▶ If your spouse is a full-time student or incapable of self-care, your maximum annual deposit is \$3,000 a year for one dependent and \$5,000 a year for two or more dependents.

Notes:

1 Requires a doctor's prescription.

2 Tax savings amounts are examples provided for illustrative purposes only. They are based on federal, state, and FICA (Social Security) taxes that you do not have to pay through payroll deductions on amounts used to fund your account. Your actual savings may vary depending on your marginal income tax rate, whether you pay state income taxes, and other factors. Some states do not recognize tax exclusions for FSA contributions.

Pay for hundreds of expenses – tax-free!

You can use your FSA to save on products and services for you and your eligible family members. Eligible expenses are defined by the IRS and your employer. Typically, a Medical Expense FSA covers:

- ▶ Ambulance
- ▶ Breast pumps
- ▶ Carpal tunnel wrist supports
- ▶ Chiropractic care, acupuncture
- ▶ Co-insurance amounts
- ▶ Contact lenses, materials and equipment
- ▶ Co-payments and deductibles
- ▶ Dental care, both preventive and restorative
- ▶ Diabetic supplies, insulin, blood test kits etc.
- ▶ Diagnostic items/services
- ▶ Eyeglasses, equipment and materials
- ▶ Eye surgery, including laser vision correction
- ▶ Flu shots, immunizations and vaccines
- ▶ Hearing aids
- ▶ Hospital services
- ▶ Laboratory fees
- ▶ Laser eye surgery; Lasik
- ▶ Medical monitoring and testing devices
- ▶ Orthodontia, child and adult
- ▶ Orthopedic shoe inserts
- ▶ Physical exams
- ▶ Physical therapy, counseling and psychology
- ▶ Prescriptions for almost any medical condition
- ▶ Prescribed Over-the-Counter¹ health care products like allergy medicine, antacid, antibiotics, aspirin...
- ▶ Preventative care screenings
- ▶ Psychiatric care
- ▶ Smoking-cessation programs
- ▶ Surgery
- ▶ Vision care
- ▶ Walkers, wheelchairs

Pay for dependents, too!

Your Dependent Care FSA covers these types of expenses for your eligible dependents while you work:

- ▶ Babysitting or au pair services
- ▶ Before- and after-school programs
- ▶ Child Care
- ▶ Day care and nursery schools
- ▶ Elder care services
- ▶ Pre-school programs
- ▶ Summer day camp
- ▶ Transportation (provided by the day care or elder care provider)

Check the IRS website for a comprehensive list of Flexible Spending Account eligible expenses.

Questions?

Helpful tips, guides, video tutorials and FAQs are available online at www.wageworks.com. WageWorks Customer Service professionals also are standing by to help you. Just call 1-855-428-0446, Monday – Friday, 8 am – 8 pm EST.